

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2006

	May-06				April-06				March-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Month Policy Net ROR	Net	Net	6/30/2005	6/30/2005
LARGE CAP DOMESTIC EQUITY																								
<i>Structured Growth</i>																								
Los Angeles Capital	647,337	2.6%	2.8%	-3.18%	706,781	2.8%	2.8%	0.31%	720,072	2.8%	2.8%	4.95%	739,668	2.9%	2.8%	3.06%	743,833	2.9%	2.8%	5.46%	10.77%	7.56%	N/A	N/A
Total Structured Growth	647,337	2.6%	2.8%	-3.18%	706,781	2.8%	2.8%	0.31%	720,072	2.8%	2.8%	4.95%	739,668	2.9%	2.8%	3.06%	743,833	2.9%	2.8%	5.46%	10.77%	7.56%	7.46%	-9.18%
Russell 1000 Growth				-3.39%				-0.14%				3.09%				2.98%				4.01%	6.54%	1.68%	7.26%	-10.36%
<i>Structured Value</i>																								
LSV	685,705	2.8%	2.8%	-2.65%	707,985	2.8%	2.8%	2.86%	745,568	2.9%	2.8%	6.53%	716,494	2.8%	2.8%	1.52%	748,966	2.9%	2.8%	5.06%	13.77%	18.35%	14.73%	14.78%
Russell 1000 Value				-2.53%				2.54%				5.93%				1.27%				3.88%	11.39%	14.06%	11.00%	6.55%
<i>Russell 1000 Enhanced Index</i>																								
LA Capital	1,261,531	5.1%	5.6%	-3.31%	1,312,322	5.2%	5.6%	0.41%	1,336,252	5.2%	5.6%	4.96%	1,469,336	5.8%	5.6%	2.29%	1,485,614	5.8%	5.6%	6.45%	10.97%	7.93%	N/A	N/A
Russell 1000				-2.95%				1.20%				4.49%				2.12%				3.95%	8.94%	7.92%	N/A	N/A
<i>S&P 500 Enhanced Index</i>																								
Westridge	1,489,912	6.1%	5.6%	-2.86%	1,542,859	6.1%	5.6%	1.36%	1,556,459	6.1%	5.6%	4.25%	1,528,392	6.0%	5.6%	2.10%	1,438,400	5.6%	5.6%	3.64%	8.61%	6.58%	N/A	N/A
S&P 500				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	N/A	N/A
<i>Index</i>																								
State Street	456,697			-2.89%	472,997			1.34%	477,316			4.19%	469,006			2.07%	476,528			3.58%	8.41%	6.27%	8.22%	-2.45%
Total Index	456,697	1.9%	1.9%	-2.89%	472,997	1.9%	1.9%	1.34%	477,316	1.9%	1.9%	4.19%	469,006	1.8%	1.9%	2.07%	476,528	1.8%	1.9%	3.58%	8.41%	6.27%	8.22%	-2.45%
S&P 500				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	8.28%	-2.37%
TOTAL LARGE CAP DOMESTIC EQUITY	4,541,184	18.5%	18.8%	-3.01%	4,742,945	18.9%	18.8%	1.17%	4,835,667	19.0%	18.8%	4.88%	4,922,897	19.3%	18.8%	2.20%	4,893,341	19.0%	18.8%	4.97%	10.40%	8.89%	9.59%	-0.28%
S&P 500				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	8.28%	-2.37%
SMALL CAP DOMESTIC EQUITY																								
<i>Manager-of-Managers</i>																								
SEI	1,479,211	6.0%	6.3%	-5.62%	1,568,049	6.2%	6.3%	0.28%	1,660,016	6.5%	6.3%	13.21%	1,648,553	6.5%	6.3%	0.95%	1,623,974	6.3%	6.3%	5.46%	14.08%	9.32%	13.32%	N/A
Russell 2000 + 200bp				-5.45%				0.15%				14.49%				1.64%				5.21%	15.93%	11.64%	15.07%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	1,479,211	6.0%	6.3%	-5.62%	1,568,049	6.2%	6.3%	0.28%	1,660,016	6.5%	6.3%	13.21%	1,648,553	6.5%	6.3%	0.95%	1,623,974	6.3%	6.3%	5.46%	14.08%	9.32%	13.32%	5.50%
Russell 2000				-5.62%				-0.02%				13.94%				1.13%				4.69%	13.84%	9.45%	12.81%	5.71%
INTERNATIONAL EQUITY																								
<i>Large Cap - Active</i>																								
Capital Guardian	912,011	3.7%	4.0%	-5.43%	1,011,396	4.0%	4.0%	2.35%	1,031,015	4.0%	4.0%	7.18%	1,160,662	4.6%	4.0%	9.64%	1,085,458	4.2%	4.0%	12.11%	27.52%	10.32%	7.44%	-3.80%
LSV	959,775	3.9%	4.0%	-4.24%	1,053,251	4.2%	4.0%	3.09%	1,070,900	4.2%	4.0%	11.19%	1,030,671	4.0%	4.0%	4.29%	1,093,543	4.2%	4.0%	11.20%	27.31%	N/A	N/A	N/A
Total Large Cap - Active	1,871,787	7.6%	8.0%	-4.82%	2,064,646	8.2%	8.0%	2.73%	2,101,915	8.2%	8.0%	9.17%	2,191,333	8.6%	8.0%	6.96%	2,179,002	8.5%	8.0%	11.67%	27.49%	13.23%	12.39%	7.26%
MSCI EAFE - 50% Hedged				-4.66%				2.85%				9.20%				5.84%				11.07%	25.88%	14.41%	8.84%	-2.61%
<i>Small Cap - Value</i>																								
Lazard	247,617	1.0%	1.0%	-5.10%	261,674	1.0%	1.0%	4.70%	276,067	1.1%	1.0%	10.94%	257,362	1.0%	1.0%	3.01%	261,367	1.0%	1.0%	9.94%	24.84%	18.18%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-5.40%				4.70%				9.34%				8.94%				12.05%	32.18%	21.33%	N/A	N/A
<i>Small Cap - Growth</i>																								
Vanguard	264,035	1.1%	1.0%	-4.93%	278,564	1.1%	1.0%	5.50%	266,872	1.0%	1.0%	13.70%	265,728	1.0%	1.0%	4.92%	264,449	1.0%	1.0%	10.41%	32.11%	24.11%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-5.40%				4.70%				9.34%				8.94%				12.05%	32.18%	21.33%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	2,383,439	9.7%	10.0%	-4.86%	2,604,884	10.4%	10.0%	3.22%	2,644,855	10.4%	10.0%	9.81%	2,714,424	10.6%	10.0%	6.37%	2,704,818	10.5%	10.0%	11.37%	27.75%	15.34%	10.62%	-2.10%
MSCI EAFE - 50% Hedged				-4.66%				2.85%				9.20%				5.84%				11.07%	25.88%	14.41%	8.84%	-2.61%
DOMESTIC FIXED INCOME																								
<i>Core Bond</i>																								
Western Asset	4,723,995	19.2%	18.3%	-0.32%	4,744,076	18.9%	18.3%	-0.24%	4,776,072	18.7%	18.3%	-0.44%	4,847,057	19.0%	18.3%	0.28%	4,793,214	18.6%	18.3%	-0.41%	-1.12%	7.14%	7.36%	8.59%
Lehman Aggregate				-0.11%				-0.18%				-0.65%				0.59%				-0.67%	-1.02%	6.80%	5.75%	7.40%
<i>Index</i>																								
Bank of ND	4,261,488	17.3%	18.3%	0.06%	4,242,946	16.9%	18.3%	-0.32%	4,275,151	16.8%	18.3%	-0.95%	4,360,962	17.1%	18.3%	0.56%	4,431,784	17.2%	18.3%	-0.72%	-1.38%	4.59%	5.83%	7.36%
Lehman Gov/Credit (1)				-0.06%				-0.31%				-1.01%				0.60%				-0.96%	-1.74%	4.80%	5.82%	7.35%
<i>BBB Average Quality</i>																								
Wells Capital (formerly Strong)	4,722,110	19.2%	18.3%	-0.35%	4,721,990	18.8%	18.3%	-0.39%	4,760,079	18.7%	18.3%	-1.02%	4,836,969	19.0%	18.3%	0.58%	4,738,788	18.4%	18.3%	-1.05%	-2.21%	9.14%	9.20%	N/A
Lehman US Credit BAA				-0.41%				-0.36%				-1.20%				0.39%				-0.97%	-2.53%	8.60%	9.42%	N/A
TOTAL DOMESTIC FIXED INCOME	13,707,593	55.7%	55.0%	-0.21%	13,709,012	54.5%	55.0%	-0.31%	13,811,302	54.2%	55.0%	-0.79%	14,044,988	55.1%	55.0%	0.46%	13,963,786	54.2%	55.0%	-0.73%	-1.58%	6.14%	6.59%	7.79%
Lehman Aggregate (2)				-0.11%				-0.18%				-0.65%				0.59%				-0.67%	-1.02%	7.26%	6.41%	7.70%
CASH EQUIVALENTS																								
Bank of ND	2,500,965	10.2%	10.0%	0.46%	2,509,258	10.0%	10.0%	0.37%	2,547,454	10.0%	10.0%	1.17%	2,162,342	8.5%	10.0%	1.07%	2,583,678	10.0%	10.0%	0.93%	4.06%	2.46%	1.74%	2.68%
90 Day T-Bill				0.43%				0.34%				1.03%				0.92%				0.83%	3.60%	2.15%	1.55%	2.62%
TOTAL FIRE & TORNADO FUND	24,612,392	100.0%	100.0%	-1.49%	25,134,148	100.0%	100.0%	0.44%	25,499,293	100.0%	100.0%	2.40%	25,493,204	100.0%	100.0%	1.39%	25,769,597	100.0%	100.0%	2.15%	4.95%	6.66%	7.95%	4.28%
POLICY TARGET BENCHMARK				-1.37%				0.47%				2.29%				1.48%				1.78%	4.69%	6.74%	7.33%	4.19%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.